AN EMPIRICAL INVESTIGATION ON THE SUSTAINABILITY OF BALANCING ITEM OF BALANCE OF PAYMENT ACCOUNTS FOR OIC MEMBER COUNTRIES

Tuck Cheong Tang\textsuperscript{1} and Evan Lau\textsuperscript{2}

Abstract:
This study aims to examine the sustainability of balancing item (‘net errors and omissions’) of balance of payment accounts for OIC (Organisation of the Islamic Conference) member countries. The series specific panel unit root test (SURADF unit root tests) suggest that 9 out of 23 sampled OIC member countries have their balancing item sustainable - Albania, Cote d’Ivoire, Indonesia, Kuwait, Malaysia, Mozambique, Pakistan, Tunisia, and Uganda.

Keywords: Balancing Item (Net Errors and Omissions); Organisation of the Islamic Conference (OIC); Sustainability

JEL Classification: C22; F32

\textsuperscript{1} School of Business, Monash University Sunway campus, Jalan Lagoon Selatan, 46150 Banar Sunway, Selangor, Dural Ehsan 46150, Malaysia.
DID (+603) 5514 6394 Facsimile (+603) 5514 6326
E-mail tang.tuck.cheong@buseco.monash.edu.my

\textsuperscript{2} Department of Economics, Faculty of Economics and Business, Universiti Malaysia Sarawak (UNIMAS), 94300 Kota Samarahan, Sarawak, Malaysia

© 2008 Tuck Cheong Tang and Evan Lau
All rights reserved. No part of this paper may be reproduced in any form, or stored in a retrieval system, without the prior written permission of the author.